



“Repco Home Finance Limited Q3 FY16 Earnings
Conference Call”

February 11, 2016



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MODERATOR: **MR. PARESH JAIN – PHILLIPCAPITAL (INDIA) PRIVATE LIMITED**



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Moderator: Ladies and Gentlemen, Good Day and Welcome to the Repco Home Finance Q3 FY16 Earnings Conference Call hosted by PhillipCapital (India) Private Limited. As a remainder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Paresh Jain of PhillipCapital. Thank you and over to you, sir.

Paresh Jain: Yes, good afternoon, everyone. On behalf of PhillipCapital, I welcome you to the 3Q FY16 Earnings Call of Repco Home Finance. We have with us today, the top Management Team of Repco represented by the Managing Director – Mr. R. Varadarajan; Executive Director – Mr. Raghu; Chief General Manager (Credit) – Mr. Ashok and CFO – Mr. T. Karunakaran. Now I will request Mr. Varadarajan to take us through the highlights of the quarter gone by then afterwards we can open the floor for Q&A. Over to you, sir.

R. Varadarajan: Thank you. Good afternoon everyone and a very warm welcome to Repco Home Finance Limited earnings conference call for the quarter ended 31st December, 2015. The reporting period has just ended was a satisfying one. The loan book grew at a healthy rate, spreads and margins remained stable even as the external environment continued to be less than conducive for most part of the reporting period. In fact, it was worse this un-presidential floods in Chennai and the floods disrupted the Company's operation for the period.

The loan book of the company grew by 30% year-on-year driven by strong growth in sanctions and disbursements of 20% and 26% respectively during the quarter. The balance between our exposure to self-employed segment under salaried class was maintained at 57.8% and 42.2% respectively.

Similarly, the share of housing loan in the loan book was maintained at 81% non-housing loans accounted for the remaining 19%. Net profit was up by 26% during the quarter driven by net interest income growth of 33%. GNPA stood at 2.29% in sync with seasonal trends, we have been observing over the years at slightly higher level than we would like. Provision coverage ratio stood at 41%.

During the half year we earned a spread of 2.99% and a NIM of 4.42%. overall borrowing cost stood at 9.58% for the nine-month period of FY16. Trailing 12 month ROA stood at 2.3% and ROE at 16.7%. The company will continue to target a spread of around 3% and a NIM of over 4%.

Cost to income stood at 20.5% down by 0.8% sequentially. Capital adequacy ratio, CAR surged to 24% provisionally from 19.3% in Q2 FY16 pursuant to reduction in risk weight for



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low cost also. This is likely to fuel Company's growth plan for the next two years to three years.

Our retail network as on 31st December, 2015 comprise at 113 branches and 38 satellite centers spread across 11 states and the Union Territory of Pondicherry.

The financial highlights of the nine-month period are as follows:

Total income during the year stood at Rs.642 crores up 28% from last year. Net interest income was Rs.218.3 crores up 28%. PAT was Rs.107.9 crores up 22% from the previous year. Cost to income ratio stood at 25%. Sanctions grew 37% to Rs.2,148.6 crores. Disbursements also grew 37% to Rs.1,953.7 crores.

Loan book grew to Rs.7,154.4 crores registering a growth of 30% year-on-year. GNPA are 2.3% and NNPA at 1.4%, resulting in a PCR of 41.3%.

At this point, I would like to thank all of you for joining the call, we can now take your questions.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question and answer session. We will take the first question from the line of Nishchint Chawathe of Kotak Securities. Please go ahead.

Nishchint Chawathe: Sir, can you give us some sense on what was the disbursement growth in the LAP segment?

Management: LAP segment okay. In the current quarter the disbursement the LAP portfolio was 118 crores.

Nishchint Chawathe: Okay, which was sir, basically the growth in LAP and Home Loans is more or less similar at around 25%.

Management: Yes.

Nishchint Chawathe: Okay. And on the GNPL side if you could share the absolute number on GNPL in the LAP book and in the Home Loan book.

Management: Okay. 48.8 crores for the Home equity portion.

Nishchint Chawathe: Sorry, you just broke up, sorry.

Management: 48.8 crores and 115 crores in Housing Loans book.

Moderator: Thank you. Our next question is from the line of Nitin Bhasin of Ambit Capital. Please go ahead.



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- Nitin Bhasin:** Could we get a sense from you that in the next two years to three years what sort of fuel upgrade orders could come in the country number one and number two what could be your scope of work in that please.
- Management:** Could you please repeat the first part of the question?
- Nitin Bhasin:** Sir, the first part of the question was what sort of fuel upgrade orders.
- Management:** What you said? We are not able to catch you, that question, upgrade of what?
- Moderator:** Sir, it looks like Mr. Bhasin's line is just disconnected from the call, maybe we can take him once he is back in the conference. Should we move to the next question, sir?
- Management:** Yes.
- Moderator:** It is from the line of Ashwin Balsubramanium of HSBC Asset Management. Please go ahead.
- Ashwin Balsubramanium:** My question relates to the seasonality in your NPAs. So I understand I mean it is partly because you cater to the self-employed segment and cash flows can be lumpy but particularly in Q1 and Q3 what is that sort of causes this spike up in NPAs that is the first question. And also related on the asset quality front, even if you could turn Y-o-Y basis there has been an increase this time so wanted to get a sense on that as well and probably I can ask my next question afterwards.
- Management:** So you have answered your question, you yourself answered your question partially, in Q1 and Q2 why it is going up? First you said, it is lumpiness then the income and secondly it has also had to do with something with the consumption pattern of these people. Q1 and Q3 is the priorities of expenditures are there. As a result, there is delay in the repayment of the housing loan because of the last 14 years - 15 years we have been seeing this trend, Q1 and Q3 the GNPA's have been going up and this current Q3 yes, it has gone up marginally from the previous Q3 figures but it is nothing alarming because we are being seeing this seasonal variation in Q3 where the NPAs as being going up and we are confident of looking at this issue and then recovering the money in the subsequent quarters.
- Ashwin Balsubramanium:** Okay. But why specifically in Q1 and Q2 would be expenditure pattern be different? And also if I can slip in another question, in terms of LAP and HL what would the NPAs be in percentage terms and also between salaried and self-employed in the HL segment if you can...
- Management:** Okay. That I can probably provide you between the LAP and the salaried and the self-employed. Under the salaried class the gross NPA has been 1.31% and for the non-salaried segment it has been 3% and it is between the Housing Loan and the Home Equity, the Housing Loan gross NPA has been 1.99% and then the Home Equity segment it is 3.59%.



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Ashwin Balsubramanium: Okay. So basically wanted to understand, would there be a significant kind of difference in terms of your customer profile in LAP and let us say non-salaried Home Loans or the profile would be largely similar, because if I look at the asset quality numbers in non-salaried also it is the NPA...

Management: Profile will be largely similar.

Ashwin Balsubramanium: Okay. But the yields on HL will be much lower.

Management: Yes, the yield on the Housing Loan will be around 11.85% and on the Home Equity it is 15.59%.

Ashwin Balsubramanium: Okay. And so just again getting back to the seasonality thing, so what would I mean you talked about the priority in terms of expenses and so on. But what exactly would those expense be with?

Management: So you know in Q1 what happens is they have to pay they enjoy a vacation or a payment of school fees for the children and other things that take priority over repayment of Housing Loan in Q1 and tax also in Q1. Q3 of course it is a festival season so the expenditure to the festivals is more than you know this short delay in repayment of the housing loans so it is a mismatch of these the repayments the expenditure pattern.

Ashwin Balsubramanium: Okay. Just one last question, what would be your installment to income ratio I mean if you track that.

Management: It varies between 35% to 50%.

Ashwin Balsubramanium: Okay. So maximum will be around 50%?

Management: Yes, right.

Moderator: Thank you. We will take the next question from the line of Sangam Iyer of Shubkam Ventures. Please go ahead.

Sangam Iyer: Sir just wanted to understand, other than the seasonality impact that is happening in Q3 what is the impact of Chennai that led to an increase in the gross and net NPA levels this quarter, could you illustrate that?

Management: Yes, I do not think there is any significant impact on the GNPA as far as the Tamil Nadu is concerned because of the floods. Very marginal, it is a very marginal impact which has been there on the GNPA level in Tamil Nadu because of the flood.

Sangam Iyer: Okay. Because what we saw was typically the trend that we see on a Q1 to Q3, this time around the increase has been pretty sharp as compared to the earlier trends, so we were kind of

hoping maybe it was due to the Chennai floods that led to this kind of sharp uptick. So now that since you are saying it is not Chennai and Chennai flood has not impacted much first part would you expect any impact coming in the Q4 or coming quarter because of the after effects the Chennai flood or you think that the impact of Chennai flood is behind us for now?

Management: I think I said as the second part of it, I think it is behind us now. I do not think that should have any impact on the repayment during the fourth quarter.

Sangam Iyer: Okay. And sir, how do we see your gross and net NPA levels going forward, do we see on a Y-o-Y base say that FY16 and it would be lower than FY15 or how should one be looking at it since the first and half months of this quarter is also or how do you see those NPA levels?

Management: No, always our endeavor is to bring down the NPA on year-on-year also so that is what we are aiming at and we feel that we should be able to achieve that. We result going ahead in that direction only.

Sangam Iyer: Okay. And sir, with regards to the provision coverage ratio we had certain targets that we had set up for the next two years in mind, how do we see those targets currently given at the PCR doing at around 41, how do we see the PCR or say may FY16 and FY17? Could you just give some outlook on how the provision coverage could look like?

Management: We expect that it should be around between 60% to 70% by March.

Sangam Iyer: March of?

Management: 2016 to 2017.

Sangam Iyer: Okay, March 2017 it is around 60% to 70%.

Management: I am saying about 2016 current year.

Sangam Iyer: Okay, March 2016. Yes, because of the recovery that will happen that will also be helping.

Management: Not on the recovery that is now additional provision may be required the existing provision itself will give you higher percentage of PCR. Improve the recovery next year and also increase the provision, our ultimate aim is at least in another two years to three years reach the level of 100%.

Sangam Iyer: Okay, got it. Sir, given that you know the interest rates are coming down. How do we see the yields and spreads going forward?

Management: The interest rate is coming down, our intension is to bring out new schemes for the affordable section to the society when the Smart City scheme is being implemented and ensure the same margin of spread of 3% we will be happy to maintain this level of 3% spread and 4%.



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- Sangam Iyer:** Okay. So would we be also participating in that NHBs recently that they have increased cap for affordable housing from the earlier (+2%) to (+3%), would you be also it is almost 4% right currently, would we be participating in that?
- Management:** We will be participating.
- Sangam Iyer:** We will be?
- Management:** Yes, we are part of it also we have been doing.
- Sangam Iyer:** Okay. And in LAP do we see that increasing further as a percentage or do we see this as an optimum level of LAP?
- Management:** The direction of the board is to maintain at around 20%.
- Sangam Iyer:** Maintain at around, which is around 19%, right.
- Management:** by another 1%, 19.
- Sangam Iyer:** Okay. But sir given that we are seeing more NPAs in that segment only wrapping up. I mean would it be more prudent to reduce that as a component and as a percentage in the mix?
- Management:** No, we have said in the LAP also it did not actually loss making proposition it may be a temporary phenomena of classifying the NPA and we are able to subsequently recover and have a say interest yield up 15.5% it has the business sense to continue with that.
- Sangam Iyer:** Okay. So sir, just to summarize I mean this 30%-35% growth that we have been showing that is sustainable going forward as well right with the kind of profitability that we...
- Management:** 25% to 30% is sustainable.
- Sangam Iyer:** 25% to 30%, okay, great, sir. And any targets for cost to income ratio that we would have in mind?
- Management:** 20, we around 20 now, I think we should be able to maintain that 20.
- Moderator:** Thank you. The next question is from the line of Ritika Dua of B&K Securities. Please go ahead.
- Ritika Dua:** Sir, firstly a couple of data points, just now in the previous question somebody had asked you what is the yield on the individual and on the LAP book for the current quarter, can you help me understand what was that in the previous quarter?
- Management:** The yields on the previous quarter?



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- Ritika Dua:** Yes, sir, so like you mentioned 11.85% for this quarter and 15.59 is corresponding for the previous quarter.
- Management:** So for the Home Loan last quarter is of 11.89% and this quarter it is 11.85% and in Home Equity last quarter it was 15.63 and current quarter it is 15.59 so, overall average 12.50 last quarter and current quarter 12.58.
- Ritika Dua:** That is very helpful, sir. So sir like you know this is I think after a long time actually we have seen that this yield in the LAP book is actually coming down so is this because just because a seasonal trend because there would be some reversal or because of the increase in NPA or the yields have actually come down so what is actually the reason for this like we had a 15.85 in the first quarter then it came down to 15.63.
- Management:** It is in tune with the market competition some of our best customers we may have to offer a finer rate we may have to decrease the interest rate, offering finer rate by 50 basis points-200 basis points to some of our customers otherwise, they may go away from our company to some other institution, in those case we have done it because of that there is slightly lesser yield.
- Ritika Dua:** Okay. So sir, if I could ask you how do you see this going forward because actually I think for us this competition in terms of the yield pressure is actually visible now otherwise I think previous as per the numbers which I have it was not really visible in your yields so suddenly in two quarters is there heightened competition or how should we read it actually going forward?
- Management:** See the actual number is not very high and it is marginal decrease but still because we are also able to access funds at a lower cost and maintaining the spread we are able to offer this so, we can meet the competition and maintain the same spread of 3.
- Ritika Dua:** Okay, sir. Sir an another data point question here, can we get the incremental ticket size on an overall basis and also separately for housing in LAP?
- Management:** Incremental ticket size on Housing Loan has been around 15.02 lakhs, for the Home Equity it is 18.6 lakhs.
- Ritika Dua:** Sir, if I am not wrong this number for Home Equity last quarter was 23 lakhs?
- Management:** Yes, in the last quarter Home Equity was 23 lakhs to the current quarter it has come down to 18.6 lakhs.
- Ritika Dua:** And sir, if I can understand the reason for the same because actually I think that is a somewhat trend which was there like in 4Q FY15 our incremental was 2.4 which came down to 1.84 then again in the next quarter it went up to 2.3 and again down to 1.86. Sir is there anything to read into this?
- Management:** Nothing I think it has just happened. It is not intentional or something like that.



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- Moderator:** Our next question is from the line of Janhavi Goradia of Motilal Oswal Asset Management. Please go ahead.
- Janhavi Goradia:** A couple of questions, the first is the Chennai flood happened during Q3 somewhere in November - December so would it be fair to say that the actual impact in terms of NPA would be visible only in Q4 when 90 days passed the flood would be over.
- Management:** No, see we actually we came out with some relief measures to them. In fact, the Reserve Bank advised us that financial institution can give reschedule given up to one year but our customers do not require. Only in the cases where it is required we have given them moratorium of two months. So then that would impact may not be much. What we have seen is it had an impact of around 20 basis points in the gross NPA and which can be recovered in the subsequent fourth quarter so we do not expect any major impact because of the floods in the fourth quarter, we have made a thorough study about it.
- Janhavi Goradia:** Okay. So in line with the seasonal trend we most expect to see GNPA coming off a bit in Q4 is it?
- Management:** Sure.
- Janhavi Goradia:** And sir, internally, as you say your endeavor is to bring down the overall level of NPAs do you have an internal benchmark as to till what level of NPAs you would be comfortable?
- Management:** We will be comfortable if we are able to bring down the gross NPA than the last year figure that is our benchmark let us see whether we would be able to achieve it.
- Janhavi Goradia:** Okay. And sir given that banks have also lower their base rates some months back, do we see increase in prepayment rate now in Q3.
- Management:** We have not seen any significant increase in the prepayment levels I think. We have been able to maintain that as has been in the past. Whatever has been the prepayment this is what has happened in Q3 also.
- Janhavi Goradia:** Okay. And how about old borrowers coming back to negotiate for a pricing change, do you see that happening now?
- Management:** Yes, I think it is an ongoing process that continues to happen.
- Janhavi Goradia:** And sir, just last question, now that we see your borrowing from banks has reduced quite a bit this quarter and you move more and more to CPs and NCDs so what kind of benefit do you see there what is the interest rate differential between bank lending and NCD for you?



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- Management:** The differential it is somewhere 30 basis points NCD from the bank borrowing, it is a ballpark figure which I am giving you, NCD we were able to access on an average around 9.33% and CP at 7.92 but bank it is 9.64% bank borrowing.
- Janhavi Goradia:** Okay. So for bank you almost do at the base rates?
- Management:** Yes, they do only at base rate. We never borrow beyond that all banks are ready to give a base rates so therefore there is a clear advantage of around 30 basis points between NCD and bank.
- Moderator:** The next question is from the line of Nidhesh Jain of Investec. Please go ahead.
- Nidhesh Jain:** My question is first question in on origination strategy for the company, so what proportion of our origination is coming from Loan Melas?
- Management:** It is around 60% comes from the Loan Melas.
- Nidhesh Jain:** And rest 40% how is it originated?
- Management:** Existing customer, walk-in customers, and referrals.
- Nidhesh Jain:** Okay. And you think this high dependence on Loan Melas is a scalable strategy even after three years - five years down the line when your loan book will be multiple times of current size because all other the companies are having their dependence on their own employees to originate loans or some third party channel through which they originate loans?
- Management:** No, we also do experiments in few packets on collective basis on a **(Inaudible) 26.42** basis we are not very rigid. As the days pass on we would see which strategy what is right for the company but right now, we believe that you know loan mela concepts works very well so will continue for the time being.
- Nidhesh Jain:** How do we originate loans is it again through Loan Mela or?
- Management:** It is the same the Loan Mela model.
- Nidhesh Jain:** Okay. And sir, secondly can you just elaborate one of the previous question on NHB guidelines is there increase in spreads to 4% from 2% earlier?
- Management:** It is under the rural housing they have increased the spreads from 2% to 3% now.
- Management:** Cap they have removed. Earlier it was 2, now the cap will be 3.
- Moderator:** Thank you. Our next question is from the line of Shivam Gupta of CWC Advisors. Please go ahead.



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- Shivam Gupta:** I was just wondering that as this company is diversifying to the newer geographies, do you think for the non-salaried borrowing which are given in those seasonality of the GNPA's may be different from what we have currently experience in south?
- Management:** I think state wise overall GNPA pattern has remind the same through the various quarters and specifically about this GNPA for the new area for the non-salaried, we have entire state figures available not between the salaried and the non-salaried.
- Shivam Gupta:** No, that is all right, I am just asking directly can this hypothesis be made that there will be some smoothness in this volatility in GNPA's as you bring in newer geographies.
- Management:** In fact, the newer geographies the GNPA has been much lower when compare to the many of the other state existing states like Tamil Nadu and Andhra Pradesh, there could be some exceptions in couple of states but we will address those issues.
- Shivam Gupta:** Okay, fair enough. The other question was likely in the asset side in the Home Loan segment especially for again the non-salaried part. So what would be the sensitivity of this kind of borrower to let us say do a balance transfer from you to a competitor up to like what interest rate differential and pricing?
- Management:** Could you please a bit more elaborate on your question I am not able to follow your question.
- Shivam Gupta:** For example, let us say your pricing your loan at hypothetically let us say at 12% and some non-salaried borrower is currently your client, let us say a competitor comes in if he offers it at 10%-8%-9% to what rate he will not switch?
- Management:** Well I do not think, I will be the person to ask this, I think the borrower will be the right person to answer this question at what level he will be comfortable.
- Shivam Gupta:** So in your last several years of operations do you have observed any kind of balanced transfer generally how much can you like protect the pricing on this in face some competition?
- Management:** I think we have not seen much of pressure on the pricing as of now in the non-salaried segment especially.
- Management:** Salaried yes, non-salaried we have comfort with our pricing model.
- Shivam Gupta:** So when you guide for like this 3% spread and in you yourself are saying there is some pressure on the salaried part then is it safer to assume that h non-salaried portion will remain in this kind of percentage as it is today as we grow for about next two years to three years?
- Management:** I think they will continue to remain. We will continue to tap this segment.



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- Shivam Gupta:** Sure. And lastly, just last data point I need, can you just share the growth in your average home loan size over the last two years?
- Management:** Last two years, I can give you the last one year.
- Shivam Gupta:** Sure, you can share that I can dig the rest.
- Management:** You would like to have the average ticket size.
- Shivam Gupta:** Average ticket size is 3 lakh on 31st December, 2014 and 12 lakh as on 30st June, 2015 and 12.2 lakh 30th September and now it is 12.4 lakhs. On Home Equity front it was 14.6 and 15.6 in this 16.2 now 16.4.
- Moderator:** Thank you. We will take the next question from the line of Digant Haria of Antique Stock Broking. Please go ahead.
- Digant Haria:** Sir, just wanted to get some idea on where the growth is coming from especially in Tamil Nadu because we have seen your competitor's complaint that at least the big cities there is a lot of softness in the real estate, so are we getting the growth out of the same centers or we are probably moving a little deeper in terms of establishing more satellites centers in getting growth from areas where previously not there or are we employing DSTs which are giving us some growth. So how are we able to do such good growth?
- Management:** What we point that it has been very consistent only, if you see Tamil Nadu last quarter and current quarter I do not find any difference and all and the same types of business coming from other states like Karnataka, Kerala, and Maharashtra.
- Digant Haria:** Yes, sir that is the reason I am asking that, we have been very consistent but the others do complaint that there is a slow down so slow down has not hit us. So you are saying that even Chennai City is giving you similar growth levels as it used to give six months back?
- Management:** We do not see any big difference in that.
- Digant Haria:** Okay. And so excluding Tamil Nadu if we were to ask what will be the mix of your salaried versus non-salaried because I remember somewhere you mentioned that 80%-90% of the customers are salaried customer in Maharashtra. So outside of Tamil Nadu what would be that proportion broadly?
- Management:** Only in Maharashtra we see that type of trend in all other center it is similar from 50-51.
- Digant Haria:** Okay. And lastly, can I get GNPA numbers for individual and LAP loans?
- Management:** Housing Loan it is 1.99, LAP it is 3.59.



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- Moderator:** Thank you. The next question is from the line of Vaibhav Agarwal, he is an Individual Investor. Please go ahead.
- Vaibhav Agarwal:** Yes, just one question like the government has been focusing right now the small housing schemes I recently read in article that around 2 crores houses are being for less than 5 lakhs so, the Repco is having a ticket size of around 13 lakhs so how do you see Repco being able to garner market share in this segment?
- Management:** Since our average price is somewhere around 13 lakh affordable housing limits are about 20 lakhs - 25 lakhs I think we should be in the position to garner this market.
- Vaibhav Agarwal:** Okay. And what kind of growth do you see one year - two years down the line?
- Management:** Yes, we believe that we should be in a position to sustain a growth of (+25%).
- Vaibhav Agarwal:** Okay. And one more question, so you said that your cost of borrowing NCD is around 30 bps lower then cost from banks so what kind of allocation do you see in the mix of borrowing that us have presently?
- Management:** See today we have about 63% of the borrowing is coming from the banks and the NCD it is about 7%, depending on the market conditions we would like to probably tap more from the NCDs and reduce the borrowing from the banking system, it will all depend how the market interest rates.
- Moderator:** Our next question is from the line of Gitika Gupta of First Voyager. Please go ahead.
- Gitika Gupta:** I have a question on the LAP portfolio you mentioned that increase in NPL has been largely on the basis because of the seasonality affect but just wanted to understand like third quarter of FY15 it was 3% then first quarter it was 3.3%, the increase this quarter 3.6 seems to be on the higher side so this is only seasonality or there is something else which is contributing to the increase?
- Management:** Mainly more on the seasonality that is what our analysis points out.
- Gitika Gupta:** Okay. And then nothing on the ground that you are seeing because of increased competitiveness anything else that might be impacting the portfolio?
- Management:** No, the asset quality is basically is a seasonal trend which has been affecting us.
- Gitika Gupta:** Yes. And in terms of recoveries, what has been the experience in these two months, I mean will it again come 2%-2.5% in the LAP portfolio or where do you see the NPLs stabilizing in the LAP portfolio at the end of this year?
- Management:** Definitely in the month of March we foresee that it will stabilize and come down.



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- Gitika Gupta:** To 2% kind of levels, right?
- Management:** We are not in a position to give you any guidance as of now. All our endeavor has been always sort of match it with the previous year or try to bring it lower that that we will work towards that only.
- Moderator:** Thank you. We will take the next question from the line of Nidhesh Jain of Investec. Please go ahead.
- Nidhesh Jain:** Sir, with the ticket size on housing and in salaried and non-salaried segment is there a difference between the ticket size for salaried and non-salaried segment or is it broadly in line with our incremental ticket size of 15 lakh?
- Management:** Yes, there is difference in the ticket size between the salaried and the non-salaried segment. There is a difference and non-salaried probably will have a more higher ticket price than the salaried.
- Management:** As of now the average ticket size of salaried is 10 lakhs and non-salaried 15.7 lakh.
- Moderator:** Thank you. Ladies and gentlemen that was our last question, I now hand the floor back to Mr. Paresh Jain for closing comments, over to you, sir.
- Paresh Jain:** On behalf of PhillipCapital I would thank the management for hosting the call with us. I would also thank all the participants for joining us in the call. Thank you.
- Moderator:** Thank you Ladies and gentlemen, on behalf of PhillipCapital (India) Private Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.